

There are two policy issues within the proposed Affordable Housing Density Bonus Regulations for which an alternative is provided for City Council consideration. This attachment provides a comparison between the regulatory language that would implement the Mayor's recommended policies for the Affordable Housing Density Bonus Regulations and the language that would implement the alternative policies for the Affordable Housing Density Bonus Regulations.

The two areas of policy difference are:

1. Processing for requested incentives when a discretionary permit is not otherwise required. See differences between regulatory languages in Section 143.0740(d) below.
2. Amount of density bonus offered for Moderate Income For-Sale Housing. See differences in Table 143-07C below.

Article 3: Supplemental Development Regulations

Division 7: Affordable Housing Density Bonus Regulations

§143.0710 through 143.0730 [No Change]

§143.0740 Development Incentives for Affordable Housing Density Bonus Projects

(a) – (c) [No Change]

(d) An incentive requested as part of a *development* meeting the requirements of Sections 143.0720(c) or 143.0720(d) shall be processed according to the following:

- (1) Upon an *applicant's* request, *development* meeting the applicable requirements of Sections 143.0720 and 143.0725 shall be entitled to incentives pursuant to Section 143.0740 unless the City makes a written *finding* of denial based upon substantial evidence, of either of the following:

- (A) The incentive is not required in order to provide for affordable housing costs, as defined in California Health and Safety Code Sections 50052.5 and 50053.
- (B) The incentive would have a specific adverse impact upon health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the *development* unaffordable to *low* and *moderate income* households.

Mayor's Recommendation (Attachment 1A)	Alternative (Attachment 1B)
(3) The decision process for a <i>development</i> requesting an incentive shall be the same decision process that would be required if the incentive were not a part of the project proposal.	(3) The decision process and <i>development permit</i> for a <i>development</i> requesting an incentive shall be the same that would be required of the <i>development</i> if it were not providing affordable housing units in accordance with this division.
(4) The <i>development permit</i> requirement for a <i>development</i> requesting an incentive shall be the same <i>development permit</i> that would be required if the incentive were not a part of the project proposal.	(4) When a <i>development permit</i> is required, the decision on the <i>findings</i> to deny a requested incentive, in addition to the required <i>findings</i> of the <i>development permit</i> , shall be made by the decision maker for the <i>development permit</i> . Except that, notwithstanding Section 126.0504 and 126.0604 (Findings for Site Development Permit Approval and Findings for Planned Development Permit Approval), when a <i>development permit</i> is required only as a result of a requested incentive, then only a decision on the <i>findings</i> to deny the requested incentive is required to be made by the decision maker.
(5) Notwithstanding Sections 143.0740(d)(3) and (4), when a <i>development permit</i> is required, the decision to deny a requested incentive shall be made by the decision maker for the <i>development permit</i> .	

(e) [No Change]

Table 143-07A [No Change]

Table 143.07B [No Change]

Table 143-07C
Moderate Income Density Bonus
For-Sale Housing

Percent <i>Moderate Income</i> Units	Percent <i>Density</i> Bonus		Number of Incentives
	Mayor's Recommendation	Alternative	
10	20	5	1
11	21	6	1
12	22	7	1
13	23	8	1
14	24	9	1
15	25	10	1
16	26	11	1
17	27	12	1
18	28	13	1
19	29	14	1
20	30	15	2
21	31	16	2
22	32	17	2
23	33	18	2
24	34	19	2
25	35	20	2
26	35	21	2
27	35	22	2
28	35	23	2
29	35	24	2
30	35	25	3
31	35	26	3
32	35	27	3
33	35	28	3
34	35	29	3
35	35	30	3
36	35	31	3
37	35	32	3
38	35	33	3
39	35	34	3
40	35	35	3

(f) - (g) [No Change]

§141.0310 [No Change]